

Tech Talk for Saturday December 14th 2024

The Bottom Line

Focus is on the FOMC Interest Rate Decision on the Fed Fund Rate released at 2:00 PM EST on Wednesday. Consensus calls for a 0.25% reduction.

The S&P 500 Index currently is following its traditional pattern in the month of December: Flat to slightly lower in the first half followed by the “Santa Claus rally” in the second half.

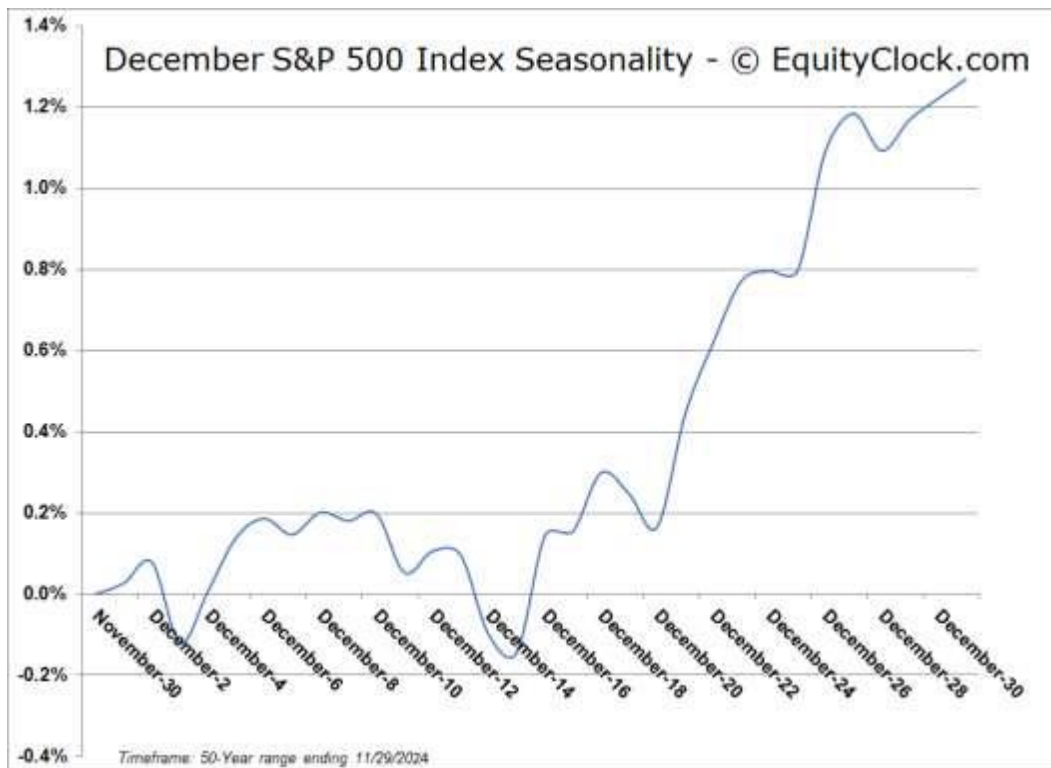


Chart courtesy of www.EquityClock.com

Consensus for Earnings and Revenues for S&P 500 companies

Source: www.factset.com

Year-over-year earnings and revenue gains accelerate in the fourth quarter from the third quarter. Consensus calls for an 11.8% earnings increase (down from 11.9% last week) and a 4.7% revenue increase (down from 4.8% last week).

For all of 2024, consensus calls for a 9.5% earnings increase (down from 9.6% last week) and a 5.1% revenue increase.

Consensus for earnings gains in 2025 was unchanged last week. First quarter earnings are expected to increase 12.8% on a year-over-year basis and revenues are expected to increase 5.2%. Second quarter earnings are expected to increase 12.1% and revenues are expected to

increase 5.4%. Third quarter earnings are expected to increase 15.2% and revenues are expected to increase 5.7%. Fourth quarter earnings are expected to increase 16.9% and revenues are expected to increase 6.6%. For all of 2025 earnings are expected to increase 15.0% and revenues are expected to increase 5.8% (up from 5.8% last week)

Economic News This Week

December Empire State Manufacturing Survey is released at 8:30 AM EST on Monday

Bank of Canada governor Maclem speaks at 3:45 PM EST on Monday.

November U.S. Retail Sales released at 8:30 AM EST on Tuesday are expected to increase 0.5% versus a gain of 0.4% in October.

November Canada Consumer Price Index is released at 8:30 AM EST on Tuesday

November U.S. Industrial Production released at 9:15 AM EST on Tuesday is expected to increase 0.1% versus a 0.3% drop in October. **November Capacity Utilization** is expected to increase to 77.2% from 77.1% in October.

October U.S. Business Inventories released at 10:00 AM EST on Tuesday are expected to increase 0.2% versus a 0.1% increase in September.

November U.S. Housing Starts released at 8:30 AM EST on Wednesday are expected to increase to 1.340 million units from 1.311 million units in October.

FOMC Interest Rate Decision on the Fed Fund Rate is released at 2:00 PM EST on Wednesday. Press conference is held at 2:30 PM EST. Consensus calls a 0.25% reduction in the Fed Fund Rate.

Bank of England interest rate decision released at 8:15 AM EST is expected to maintain its lending rate at 4.75%.

December Philly Fed is released at 8:30 AM EST on Thursday

Updated U.S. Third Quarter GDP released at 8:30 AM EST on Thursday is expected to grow at a 2.8% annual rate.

November U.S. Existing Home Sales released at 10:00 AM EST on Thursday are expected to increase to 3.97 million units from 3.96 million units in October.

November Leading Economic Indicators released at 10:00 AM EST on Thursday are expected to slip 0.1% versus a 0.4% drop in October.

November Core PCI Price Index is released at 8:30 AM EST on Friday

November Personal Income released at 8:30 AM EST on Friday is expected to increase 0.4% versus a 0.6% increase in October. **November Personal Spending** is expected to increase 0.5% versus a 0.4% gain in October.

October Canadian Retail Sales are released at 8:30 AM EST on Friday

December Michigan Consumer Sentiment released at 10:00 AM EST on Friday is expected to increase to 74.0 from 71.8 in November.

Selected Earnings News This Week

Wednesday: Micron, Lennar, General Mills

Thursday: Nike, FedEx, Paychex, Carnival, Darden Restaurants, Conagra, BlackBerry.

Trader's Corner

Example showing score for Gold bullion (GLD)	Previous Score	New Score
Intermediate trend: Remains neutral	0	0
Strength relative to S&P 500 Index: Changed from neutral to negative	0	-2
Above/Below 20 day moving average: Moved below	1	-1
Daily momentum (Stochastics, RSI, MACD): Changed from up to down	1	-1
Totals	2	-4

Equity Indices and Related ETFs

Daily Seasonal/Technical Equity Trends for December 13th 2024

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Prev Score
SPX	Positive	Jan.6	Up	Neutral	Above	Down	2	
TSX	Positive	Mar.3	Up	Negative	Below	Down	-2	2
DJIA	Positive	Jan.6	Up	Negative	Below	Down	-2	
COMPQ	Neutral	May 18	Up	Positive	Above	Down	4	
IYT	Neutral	Sept.9	Neutral	Negative	Below	Down	-4	
AORD	Neutral	June 15	Up	Negative	Below	Down	-2	
NIKK	Positive	Jan.6	Up	Positive	Above	Up	6	
IEV	Positive	Apr 30	Down	Neutral	Above	Down	-2	
FXI	Positive	Jan.21	Neutral	Neutral	Above	Down	0	2
EEM	Positive	Mar.1	Up	Neutral	Above	Down	2	

Green: Increase from previous day

Red: Decrease from previous day

Source for all positive seasonality ratings: www.EquityClock.com

Commodities

Daily Seasonal/Technical Commodities Trends for December 13th 2024

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Prev Score
CRB Index	Neutral	Feb.12	Down	Positive	Above	Up	2	-2
Gasoline	Neutral	Mar.30	Up	Neutral	Above	Up	4	
Crude Oil	Neutral	Jan.12	Neutral	Positive	Above	Up	4	2
Natural Gas	Neutral	Sept.3	Neutral	Positive	Above	Up	4	
S&P Energy	Positive	Apr. 12	Neutral	Negative	Below	Down	-4	-2
Oil Services	Neutral	Dec.19	Neutral	Negative	Below	Down	-4	-2
Gold	Neutral	Dec.23	Neutral	Neutral	Below	Down	-2	4
Silver	Neutral	Dec.28	Neutral	Negative	Below	Down	-4	0
Gold Bug	Positive	Feb.25	Neutral	Neutral	Below	Down	-2	4
Platinum	Neutral	Dec.24	Neutral	Negative	Below	Down	-4	
Palladium	Positive	Apr.20	Neutral	Negative	Below	Down	-4	
Copper	Positive	Feb.28	Up	Neutral	Above	Down	2	
Agriculture	Positive	Jan.30	Neutral	Negative	Below	Down	-4	

Green: Increase from previous day

Red: Decrease from previous day

Sectors

Daily Seasonal/Technical Sector Trends for December 13th 2024

Unit	Seasonal	Until	Trend	Relative Strength	20 Day MA	Momentum	Tech Score	Prev. Score
XLK	Neutral	Apr 19	Up	Neutral	Above	Up	4	2
XLB	Positive	Jan.3	Down	Negative	Below	Down	-6	
XLI	Positive	Feb.20	Neutral	Negative	Below	Down	-4	
XLY	Positive	Jan.3	Up	Positive	Above	Up	6	
XLF	Neutral	July 7	Up	Negative	Below	Down	-2	
XLE	Positive	Apr.12	Up	Negative	Below	Down	-2	
XLP	Neutral	Feb.16	Neutral	Neutral	Above	Down	0	
XLU	Neutral	Feb.6	Up	Negative	Below	Down	-2	
XLV	Positive	Feb.2	Down	Negative	Below	Down	-6	
XLC	Neutral	Jan.8	Up	Positive	Above	Down	4	6
XLRE	Positive	Apr.3	Up	Negative	Below	Down	-2	
TSX Financial	Neutral	July 12	Up	Neutral	Above	Down	2	
TSX Energy	Positive	Mar.7	Down	Negative	Below	Down	-6	
TSX Gold	Positive	Mar.26	Down	Neutral	Below	Down	-4	2
TSX Tech	Positive	April 3	Up	Positive	Above	Down	4	
TSX B Metals	Positive	Jan.18	Neutral	Negative	Below	Down	-4	-2

Green: Increase from previous day

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Technical Notes

Global Metals iShares \$PICK moved below \$38.34 extending an intermediate downtrend. Leading the drop was **Teck Resources \$TECK** a TSX 60 stock on a move below US\$44.44 and Cdn\$62.67.



Global X Copper Miners ETF \$COPX moved below \$40.72 extending an intermediate downtrend.



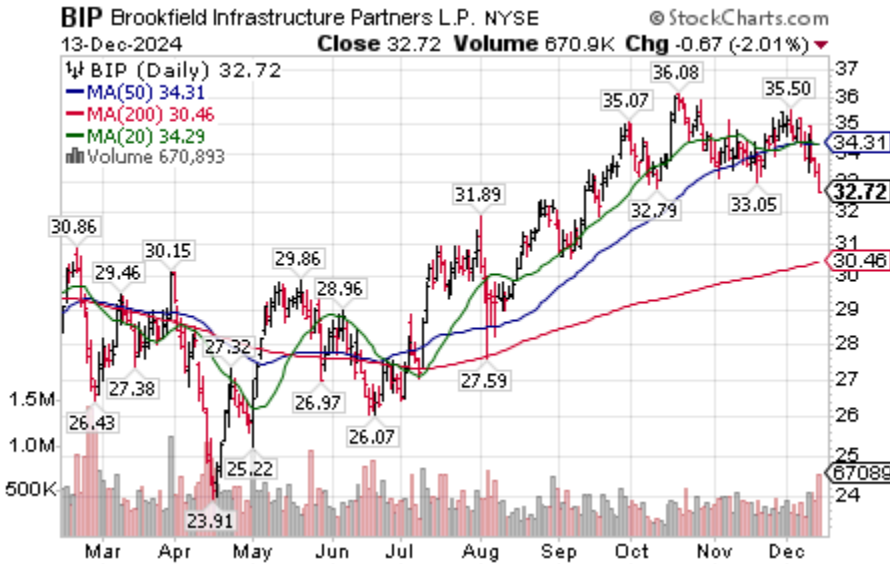
S&P 100 and NASDAQ 100 stock moving below support extending intermediate downtrends included **Biogen \$BIIB**, **Bristol-Myers \$BMY**, **Regeneron \$REGN**, **American Electric Power \$AEP**, **ConocoPhillips \$COP**, **NXP Semiconductor \$NXPI**,



Imperial Oil \$IMO.TO a TSX 60 stock moved below support at Cdn\$96.72 completing a double top pattern.



Brookfield Infrastructure \$BIP a TSX 60 stock moved below US\$33.05 and US\$32.79 completing a Head & Shoulders pattern.



S&P 500 Momentum Barometers



The intermediate term Barometer dropped another 2.80 on Friday and plunged 10.80 last week to 47.60. It remains Neutral. Daily downtrend was extended on Friday.



The long term Barometer dropped 0.80 on Friday and plunged 4.60 last week to 66.60. It remains Overbought. Daily downtrend was extended on Friday.

TSX Momentum Barometers



The intermediate term Barometer dropped 10.96 on Friday and plunged 14.15 last week to 42.47. It remains Neutral. Daily downtrend was extended.



The long term Barometer dropped 2.74 on Friday and fell 3.20 last week to 67.58. It remains Overbought. Daily downtrend was extended.

Tech Talk is a free service offered each business day at www.timingthemarket.ca

Disclaimer: Seasonality ratings and technical ratings offered in this report and at www.equityclock.com are for information only. They should not be considered as advice to purchase or to sell mentioned securities. Data offered in this report is believed to be accurate, but is not guaranteed